

United States District Court

FOR THE
NORTHERN DISTRICT OF CALIFORNIA
CRIMINAL DIVISION
VENUE: SAN FRANCISCO

FILED

UNITED STATES OF AMERICA,

NOV 12 2009

V.

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

LILY C. ASPILLERA

CR09 -1102

DEFENDANT.

INDICTMENT

18 U.S.C. § 1341- Mail Fraud
26 U.S.C. § 7201- Tax Evasion

A true bill.

Synda Benjamin
Foreman

Filed in open court this 12 day of
November, 2009

Wing Ho

Clerk

Bail, \$

San Lu NO BAIL WARRANT / INDICT.
UNDER SEAL

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURTBY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☐ SUPERSEDING**OFFENSE CHARGED**Title 18, United States Code, Section 1341
(Mail Fraud) (Nine Counts); Title 26, United
States Code, Section 7201 (Income Tax
Evasion) (Four Counts)☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony

PENALTY:

SEE ATTACHED

Name of District Court, and/or Judge/Magistrate Location
NORTHERN DISTRICT OF CALIFORNIA

NOV 12 2009

DEFENDANT - U.S.

Lily C. Aspillera

DISTRICT COURT NUMBER

RICHARD W. WICKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**CR09****-1102****PROCEEDING**Name of Complainant Agency, or Person (& Title, if any)
Federal Bureau of Investigation; Internal Revenue Service-Criminal Investigation☐ person is awaiting trial in another Federal or State
Court, give name of court☐ this person/proceeding is transferred from another
district per (circle one) FRCrP 20, 21 or 40. Show
District☐ this is a reprosecution of
charges previously dismissed
which were dismissed on
motion of:☐ U.S. Att'y ☐ Defense☐ this prosecution relates to a
pending case involving this same
defendant☐ prior proceedings or appearance(s)
before U.S. Magistrate regarding
this defendant were recorded underSHOW
DOCKET NO.MAGISTRATE
CASE NO.Name and Office of Person
Furnishing Information on
THIS FORM

Joseph P. Russoniello

☒ U.S. Att'y ☐ Other U.S. AgencyName of Asst. U.S. Att'y
(if assigned)

Douglas Sprague

DEFENDANT**IS NOT IN CUSTODY**

- 1) ☒ Has not been arrested, pending outcome this proceeding.
If not detained give date any prior summons
was served on above charges
- 2) ☐ Is a Fugitive
- 3) ☐ Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) ☐ On this charge
- 5) ☐ On another conviction
- 6) ☐ Awaiting trial on other charges } ☐ Fed'l ☐ State

If answer to (6) is "Yes", show name of institution

Has detainer
been filed? ☐ Yes ☐ NoIf "Yes"
give date
filedDATE OF
ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED
TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted**ADDITIONAL INFORMATION OR COMMENTS****PROCESS:**☐ SUMMONS ☐ NO PROCESS*☒ WARRANT

Bail Amount: No Bail

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address:

*Where defendant previously apprehended on complaint, no new summons
or warrant needed, since Magistrate has scheduled arraignment

Date/Time:

Before Judge:

Comments:

NOV 12 2009

United States v. Lily C. Aspillera
Attachment to Penalty Sheet

RICHARD W. WIEKMA
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIF.

MAXIMUM PENALTIES (Each Count)

Counts One through Nine: (Title 18, United States Code, Section 1341 – Mail Fraud) **SI**

Imprisonment: 20 years

Fine: \$250,000 (or twice the value of the property involved in the offense,
whichever is greater)

Supervised Release: 3 years

CR09 -1102

Special Assessment: \$100

Restitution: To be determined by the Court

Counts Ten through Thirteen: (Title 26, United States Code, Section 7201 – Income Tax
Evasion)

Imprisonment: 5 years

Fine: \$250,000

Supervised Release: 3 years

Special Assessment: \$100

Restitution: To be determined by the Court

RICHARD W. WIERING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

SI

CR09 No. CR **1102**

VIOLATIONS: Title 18, United States Code, Section 1341 (Mail Fraud); Title 26, United States Code, Section 7201 (Tax Evasion)

Defendant.

The Grand Jury charges:

At all times relevant to this Indictment:

2. Victim K.K. was an individual who resided in the Northern District of California and who was a client of the firm of Ernst & Young.

12

The Scheme to Defraud

3. Beginning at a time unknown to the Grand Jury, but no later than in or about 2002, and continuing until in or about May 2008, defendant ASPILLERA did knowingly devise and intend to devise a material scheme and artifice to defraud victim K.K., and to obtain money and property by means of materially false and fraudulent pretenses, representations, promises, and omissions of material facts, and, for the purpose of executing such scheme and artifice to defraud, did knowingly cause to be deposited matters to be sent and delivered by mail and by private and commercial interstate carrier.

4. More specifically, defendant ASPILLERA embezzled, stole, and defrauded K.K. out of more than \$2,000,000, and accomplished this fraud through several means, including but not limited to: (a) without authorization, paying her credit card bills with checks drawn on K.K.'s bank account; (b) without authorization, writing checks drawn on K.K.'s account payable to ASPILLERA and to "Cash", then using those funds for her personal benefit, including but not limited to purchasing a residence in San Francisco, purchasing luxury vehicles, making mortgage payments on at least one house, and purchasing vast amounts of jewelry; and (c) without authorization, writing checks drawn on K.K.'s account payable to certain employees in amounts far more than they were due, then having those employees give the extra cash to ASPILLERA, and falsely telling those employees that the extra cash would be used to pay other employees.

5. To perpetrate and to conceal her scheme to defraud, ASPILLERA falsely told one of her supervisors at Ernst & Young that K.K. had authorized ASPILLERA to transfer funds from K.K.'s account at Bank of America to his account at Wells Fargo.

6. To perpetrate and to conceal her scheme to defraud, ASPILLERA falsely told one of her supervisors at Ernst & Young that K.K. did not want anyone except ASPILLERA to see K.K.'s Wells Fargo account information.

7. To perpetrate and to conceal her scheme to defraud, ASPILLERA instructed a household employee of K.K.'s to pick up K.K.'s mail, including the Wells Fargo account statements, and to deliver that mail to ASPILLERA. ASPILLERA falsely told this employee that

//

K.K. did not want anyone to see these account statements because K.K. might get in trouble if someone saw some of the items he had purchased.

COUNTS ONE THROUGH NINE: (18 U.S.C. § 1341 – Mail Fraud)

8. Paragraphs 1-7 are realleged and hereby reincorporated as if fully set forth herein.

9. On or about the dates set forth below, in the Northern District of California and elsewhere, the defendant,

LILY C. ASPILLERA,

to execute the material scheme and artifice to defraud victim K.K., and to obtain money and property by means of materially false and fraudulent pretenses, representations, promises, and omissions of material facts, did knowingly cause to be deposited matters to be sent from the Northern District of California and delivered by mail and by private and commercial interstate carrier, as set forth below:

COUNT	DATE	AMOUNT	RECIPIENT
1	February 2, 2007	Check for \$10,012.31	American Express Ft. Lauderdale, FL
2	March 5, 2007	Check for \$10,009.32	American Express Ft. Lauderdale, FL
3	March 20, 2007	Check for \$9,807.27	American Express Ft. Lauderdale, FL
4	April 19, 2007	Check for \$9,161	American Express Ft. Lauderdale, FL
5	May 17, 2007	Check for \$11,230.09	American Express Ft. Lauderdale, FL
6	February 1, 2008	Check for \$10,212.05	American Express Ft. Lauderdale, FL
7	March 7, 2008	Check for \$12,631.48	American Express Ft. Lauderdale, FL
8	April 7, 2008	Check for \$13,019.29	American Express Ft. Lauderdale, FL
9	May 8, 2008	Check for \$11,161.85	American Express Ft. Lauderdale, FL

Each in violation of Title 18, United States Code, Section 1341.

//

1 **COUNT TEN:** (26 U.S.C. § 7201 – Tax Evasion)

2 10. On or about April 15, 2006, in the Northern District of California, the
3 defendant,

4 LILY C. ASPILLERA,

5 then a resident of San Francisco, California, who during the calendar year 2005 was married, did
6 willfully attempt to evade and defeat a large part of the income tax due and owing by her and her
7 spouse to the United States of America for the calendar year 2005, by filing and causing to
8 be filed with the Director, Internal Revenue Service Center, a false and fraudulent joint United
9 States Individual Income Tax Return, Form 1040, on behalf of herself and her spouse, as in that
10 false return it was stated that the joint taxable income of ASPILLERA and her spouse for the
11 calendar year 2005 was the sum of \$52,470, when, in fact, as ASPILLERA then and there knew,
12 their joint taxable income for the calendar year was substantially in excess of the amount stated
13 on the return, and, upon the additional taxable income, a substantial additional tax was due and
14 owing to the United States of America, in violation of Title 26, United States Code, Section
15 7201.

16 **COUNT ELEVEN:** (26 U.S.C. § 7201 – Tax Evasion)

17 11. On or about April 15, 2007, in the Northern District of California, the
18 defendant,

19 LILY C. ASPILLERA,

20 then a resident of San Francisco, California, who during the calendar year 2006 was married, did
21 willfully attempt to evade and defeat a large part of the income tax due and owing by her and her
22 spouse to the United States of America for the calendar year 2006, by filing and causing to
23 be filed with the Director, Internal Revenue Service Center, a false and fraudulent joint United
24 States Individual Income Tax Return, Form 1040, on behalf of herself and her spouse, as in that
25 false return it was stated that the joint taxable income of ASPILLERA and her spouse for the
26 calendar year 2006 was the sum of \$16,090, when, in fact, as ASPILLERA then and there knew,
27 their joint taxable income for the calendar year was substantially in excess of the amount stated
28 on the return, and, upon the additional taxable income, a substantial additional tax was due and

owing to the United States of America, in violation of Title 26, United States Code, Section 7201.

COUNT TWELVE: (26 U.S.C. § 7201 – Tax Evasion)

12. On or about April 12, 2008, in the Northern District of California, the defendant,

LILY C. ASPILLERA,

then a resident of San Francisco, California, who during the calendar year 2007 was married, did willfully attempt to evade and defeat a large part of the income tax due and owing by her and her spouse to the United States of America for the calendar year 2007, by filing and causing to be filed with the Director, Internal Revenue Service Center, a false and fraudulent joint United States Individual Income Tax Return, Form 1040, on behalf of herself and her spouse, as in that false return it was stated that the joint taxable income of ASPILLERA and her spouse for the calendar year 2007 was the sum of \$5,416, when, in fact, as ASPILLERA then and there knew, their joint taxable income for the calendar year was substantially in excess of the amount stated on the return, and, upon the additional taxable income, a substantial additional tax was due and owing to the United States of America, in violation of Title 26, United States Code, Section 7201.

COUNT THIRTEEN: (26 U.S.C. § 7201 – Tax Evasion)

13. On or about April 12, 2009, in the Northern District of California, the defendant,

LILY C. ASPILLERA,

then a resident of San Francisco, California, who during the calendar year 2008 was married, did willfully attempt to evade and defeat a large part of the income tax due and owing by her and her spouse to the United States of America for the calendar year 2008, by filing and causing to be filed with the Director, Internal Revenue Service Center, a false and fraudulent joint United States Individual Income Tax Return, Form 1040, on behalf of herself and her spouse, as in that false return it was stated that the joint taxable income of ASPILLERA and her spouse for the calendar year 2008 was the sum of \$92,814, when, in fact, as ASPILLERA then and there knew,

1 their joint taxable income for the calendar year was substantially in excess of the amount stated
2 on the return, and, upon the additional taxable income, a substantial additional tax was due and
3 owing to the United States of America, in violation of Title 26, United States Code, Section
4 7201.

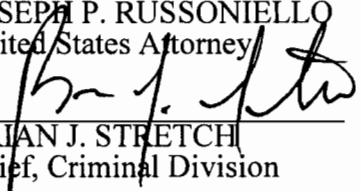
5 //

6 DATED: November 12, 2009

A TRUE BILL.

7 
8 FOREPERSON

9 JOSEPH P. RUSSONIELLO
10 United States Attorney

11 
12 BRIAN J. STRETCH
13 Chief, Criminal Division

14 (Approved as to form: )
15 AUSA Sprague